



General Assembly

Substitute Bill No. 700

February Session, 2006

* SB00700CE 042706 *

**AN ACT CONCERNING LAND RECORD FEES PAID BY A
MUNICIPALITY, THE PROPERTY DESCRIPTION OF A DISTRICT IN
REDDING, TAX CREDITS FOR BUSINESS EMPLOYMENT
EXPANSION PROJECTS AND THE FILING DEADLINE FOR CERTAIN
TAX EXEMPTIONS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (e) of section 7-34a of the 2006 supplement to
2 the general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective from passage*):

4 (e) In addition to the fees for recording a document under
5 subsection (a) of this section, town clerks shall receive a fee of thirty
6 dollars for each document recorded in the land records of the
7 municipality. The town clerk shall retain one dollar of any fee paid
8 pursuant to this subsection and three dollars of such fee shall become
9 part of the general revenue of the municipality and used to pay for
10 local capital improvement projects, as defined in section 7-536. Not
11 later than the fifteenth day of each month, town clerks shall remit
12 twenty-six dollars of the fees paid pursuant to this subsection during
13 the previous calendar month to the State Treasurer. Upon deposit in
14 the General Fund, such amount shall be credited to the land
15 protection, affordable housing and historic preservation account
16 established pursuant to section 4-66aa. The provisions of this
17 subsection shall not apply to any document recorded on the land

18 records by an employee of the state or of a municipality in conjunction
19 with said employee's official duties. As used in this subsection,
20 "municipality" includes each town, consolidated town and city, city,
21 consolidated town and borough, borough, district, as defined in
22 chapter 105 or 105a, any municipal corporation or department thereof
23 created by a special act of the General Assembly, and each municipal
24 board, commission and taxing district not previously mentioned.

25 Sec. 2. Section 1 of special act 05-14 is amended to read as follows
26 (*Effective from passage*):

27 For purposes of this section:

28 (1) (A) "District" means certain real property, situated in the town of
29 Redding, County of Fairfield and State of Connecticut shown and
30 designated as Parcel D on "Property survey for The Gilbert & Bennett
31 Mfg. Co. in Georgetown Redding, Connecticut Sheet 3 of 3" and dated
32 September 20, 1987, which map is on file in the Redding town clerk's
33 office as Map 3436, excepting, however, so much of such property as
34 has previously been conveyed to other, including, but not limited to,
35 (A) the premises described in a certain deed to the town of Wilton,
36 dated September 22, 1999, and recorded in the Wilton Land Records at
37 volume 1193, page 183, (B) the premises described in a certain deed to
38 the town of Redding, dated November 4, 1999, and recorded in the
39 Redding Land Records at volume 235, page 33, and (C) the premises
40 described in a certain deed to the town of Redding dated November 4,
41 1999, and recorded in the Redding Land Records at volume 267, page
42 240; except upon action on or after the effective date of this section by
43 the voters, as provided in section 7-325 of the general statutes, to
44 enlarge the district, "district" shall include all those certain pieces or
45 parcels of land, with the improvements thereon, situated in the Town
46 of Redding, County of Fairfield and State of Connecticut, being shown
47 as: "Parcel A (Assessor's No. 32-1, 2, 3) Acres = 41.4822"; "Parcel B
48 (Assessor's No. 34-1) Acres = 1.4529"; "Parcel C (Assessor's No. 35-1)
49 Acres = 1.8746"; all as shown on "Property Survey for THE GILBERT &
50 BENNETT MFG. Co.", sheets 1, 2 and 3, on file in the Redding Town

51 Clerk's Office as Map Nos. 3434, 3435 and 3436; together with that
52 certain parcel of land (Redding Assessor's Map 103, Block 35, Lot 4)
53 being shown as "Total Area = 0.765 AC." on "Map Prepared for Gilbert
54 & Bennett Manufacturing Co. Redding, Connecticut" dated July 18,
55 1988 and on file in the Redding Town Clerk's Office as Map No. 3626.

56 (2) "Voter" means (A) any person who is an elector of the district, (B)
57 any citizen of the United States of the age of eighteen years or more
58 who, jointly or severally, is liable to the district for taxes assessed
59 against such citizen on an assessment of not less than one thousand
60 dollars on the last-completed grand list of such district, or who would
61 be so liable if not entitled to an exemption under subdivision (17), (19),
62 (22), (23), (25) or (26) of section 12-81 of the general statutes, or (C)
63 holders of record of interest in real property within such district; and

64 (3) "Qualified green building and sustainable design project" shall have
65 the same meaning as in 26 USC 142.

66
67 Sec. 3. (NEW) *(Effective from passage and applicable to projects with a*
68 *commencement date on or after the effective date of this section)* (a) As used
69 in this section:

70 (1) "Approved employment expansion project" means an
71 employment expansion project approved by the commissioner
72 pursuant to subsection (e) of this section.

73 (2) "Commencement date" means the commencement date of the
74 approved employment expansion project as provided in the certificate
75 of eligibility issued by the commissioner pursuant to subsection (f) of
76 this section.

77 (3) "Commissioner" means the Commissioner of Economic and
78 Community Development.

79 (4) "Constituent corporation" means any corporation that holds or
80 has held an interest in the sponsor of an approved employment
81 expansion project (A) as a general partner, limited partner, member or

82 otherwise, and (B) is subject to tax under chapter 208 of the general
83 statutes either directly or by virtue of holding an interest in such
84 sponsor.

85 (5) "Employment expansion project" means a project: (A) That will
86 result in the creation of at least four hundred new jobs in this state over
87 a period of not more than five full income years following the income
88 year in which the commencement date occurs; (B) for which the
89 allowance to the constituent corporations of credits under this section
90 will be necessary to attract the project to this state; (C) that will be
91 economically viable and will generate direct and indirect economic
92 benefits to the state; and (D) that is, in the judgment of the
93 commissioner, consistent with the strategic economic development
94 priorities of the state and the municipality or municipalities in which
95 the new jobs are to be created.

96 (6) "Income year" shall have the same meaning as in subdivision (5)
97 of subsection (a) of section 12-213 of the 2006 supplement to the
98 general statutes.

99 (7) "New employee" means a person hired or assigned by a sponsor
100 or a constituent corporation to fill a new job in this state. The aggregate
101 number of new employees at the end of any income year shall be equal
102 to the excess, if any, of the aggregate number of employees employed
103 in this state by the sponsor and constituent corporations at the end of
104 any income year, not including the aggregate number of employees
105 employed in this state by the sponsor and constituent corporations on
106 the commencement date. A person shall be deemed to be a "new
107 employee" only if the duties of such person for the sponsor or a
108 constituent corporation are on a regular, full time or equivalent
109 thereof, and permanent basis.

110 (8) "New job" means a job in this state in the business of the sponsor
111 or a constituent corporation that did not exist prior to the
112 commencement date and that is filled by a new employee, not
113 including a job created when an employee is shifted from an existing

114 location in this state of the sponsor or any constituent corporation to
115 such job.

116 (9) "Sponsor" means a partnership, limited partnership, limited
117 liability company or other entity that (A) is treated as a pass-through
118 entity for federal income tax purposes, and (B) will be the direct or
119 indirect employer of some or all of the new employees.

120 (b) (1) There shall be allowed to each constituent corporation such
121 credits that the constituent corporation otherwise would have been
122 allowed under chapter 208 of the general statutes had such constituent
123 corporation itself conducted its pro rata share of the business
124 conducted by the sponsor during any relevant income year.

125 (2) Credits shall be allowable under this section for those income
126 years commencing on or after the effective date of this section for
127 which a certificate of eligibility has been issued by the Commissioner
128 of Economic and Community Development.

129 (c) (1) For the purposes of chapter 208 of the general statutes, each
130 constituent corporation shall be deemed to have itself conducted its
131 pro rata share of the business conducted by the sponsor.

132 (2) The pro rata share of the business conducted by the sponsor that
133 shall be deemed to have been conducted by each constituent
134 corporation shall be the same percentage as such constituent
135 corporation's distributive share of the profit or loss of the sponsor for
136 any relevant income year.

137 (3) The limitation of section 12-217zz of the general statutes shall be
138 applied on the return of each constituent corporation or on the
139 combined return filed by two or more constituent corporations.

140 (d) Any sponsor of an employment expansion project may submit
141 an application for a certificate of eligibility to the commissioner in
142 accordance with the provisions of this section. The application shall
143 contain sufficient information to establish that the project is an

144 employment expansion project, and shall include information
145 concerning (1) the location or locations of the new jobs, (2) the number
146 of new jobs to be created, (3) the physical infrastructure that might be
147 created, renovated or expanded, (4) feasibility studies or business
148 plans for the project, and (5) such other information the commissioner
149 determines is necessary to demonstrate the financial viability of the
150 employment expansion project. The commissioner may impose a fee
151 for such application as the commissioner deems appropriate.

152 (e) (1) The commissioner, upon consideration of the application and
153 any additional information that the commissioner requires concerning
154 a proposed employment expansion project, may approve the project if
155 the commissioner finds that the project is an employment expansion
156 project. If the commissioner rejects an application, the commissioner
157 shall specifically identify the defects in the application and specifically
158 explain the reasons for such rejection. The commissioner shall render a
159 decision on an application not later than ninety days after its receipt by
160 the commissioner.

161 (2) The approval of an employment expansion project by the
162 commissioner may be combined with the exercise of any of the other
163 powers of the commissioner, including, but not limited to, the
164 provision of financial assistance.

165 (3) The commissioner shall require the applicant to reimburse the
166 commissioner for all or any part of the cost of any activities performed
167 in the exercise of due diligence reviewing an application pursuant to
168 this subsection.

169 (f) Upon approving an employment expansion project, the
170 commissioner shall issue a certificate of eligibility certifying that the
171 applicant has complied with the provisions of this section. The
172 certificate of eligibility shall set forth the commencement date, as well
173 as any other requirements the commissioner deems appropriate.

174 (g) Each constituent corporation claiming a credit or credits allowed
175 under this section shall retain a copy of the certificate of eligibility

176 issued under subsection (f) of this section for each income year for
177 which a credit is claimed for at least as long as such income year
178 would otherwise be subject to audit.

179 (h) The credits allowed under this section may be used by
180 constituent corporations joining in a combined corporation business
181 tax return under section 12-223a of the general statutes.

182 (i) Any constituent corporation allowed a credit under this section
183 may assign such credit to another constituent corporation, provided
184 such other constituent corporation may claim such credit only with
185 respect to an income year for which the assigning constituent
186 corporation would have been eligible to claim such credit and such
187 other constituent corporation or constituent corporations may not
188 further assign such credit.

189 (j) (1) The determination of whether the aggregate number of new
190 jobs has been created shall be made as of the end of each of the six
191 income years ending after the commencement date. Not later than the
192 first day of the fourth month of each of the six income years following
193 the commencement date, the commissioner shall require the sponsor to
194 certify the aggregate number of new jobs created by the end of the
195 preceding income year. Not later than the first day of the seventh
196 month in each of the six income years following the commencement
197 date, the commissioner shall review such certification and, if the
198 aggregate number of new jobs at the end of any such income year is at
199 least ninety per cent of the aggregate number of such new jobs set forth
200 in the certificate of eligibility for such income year, shall issue a
201 certificate of eligibility for the income year just concluded.

202 (2) If the aggregate number of new jobs at the end of any such
203 income year is less than ninety per cent of the aggregate number of
204 such new jobs set forth in the certificate of eligibility for such income
205 year, no credits attributable to the activities of the sponsor during such
206 income year shall be allowed to the constituent corporations. The
207 failure to achieve ninety per cent of the aggregate number of new jobs

208 by the end of any applicable income year shall not preclude the
209 allowance to the constituent corporations of credits from any prior or
210 subsequent income year otherwise available under this section.

211 Sec. 4. (*Effective from passage*) Notwithstanding the time limit set
212 forth in subsection (d) of section 12-120b of the general statutes, any
213 person in the town of Wallingford who failed to file a written request
214 for a reconsideration of the decision by the Secretary of the Office of
215 Policy and Management to modify or deny an exemption granted by
216 the assessor of said town, under the provisions of subdivision (72) of
217 section 12-81 of the 2006 supplement to the general statutes, for the
218 assessment year commencing October 1, 2000, may file a request for
219 such reconsideration provided (1) such request is filed not later than
220 thirty days after the effective date of this section, and (2) is
221 accompanied by all documentation and information specified in the
222 secretary's letter of modification or denial dated October 1, 2002. Said
223 secretary shall, not later than thirty days following receipt of such
224 person's request and the required supporting documentation and
225 information, reconsider the decision to modify or deny said
226 exemption, and shall send a written determination with respect thereto
227 to such person. If aggrieved by the secretary's determination, such
228 person may request a hearing before said secretary, in accordance with
229 the provisions of subsection (d) of said section 12-120b. If said
230 secretary determines that such person is eligible for the exemption
231 claimed for the assessment year commencing October 1, 2000, under
232 the provisions of subdivision (72) of said section 12-81, said secretary
233 shall notify such person and the assessor of the town of Wallingford of
234 such approval and shall include reimbursement with respect thereto in
235 the next certification said secretary makes to the Comptroller under the
236 provisions of section 12-94b of the general statutes. If taxes have been
237 paid on the machinery and equipment for which such exemption is
238 approved by said secretary, the town of Wallingford shall reimburse
239 the person who made such payment in an amount equal to the
240 reimbursement issued by the Treasurer with respect to such exempt
241 machinery and equipment.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	7-34a(e)
Sec. 2	<i>from passage</i>	SA 05-14, Sec. 1
Sec. 3	<i>from passage and applicable to projects with a commencement date on or after the effective date of this section</i>	New section
Sec. 4	<i>from passage</i>	New section

FIN *Joint Favorable Subst.*

CE *Joint Favorable*